## <u>Remarks</u>

Applicant respectfully requests reconsideration and allowance of the subject application. Claims 1-22, 24-36, 38-46, 50, and 52-57 are pending in this application.

Claims 9-12, 16, 18, 19, and 21 stand rejected under 35 U.S.C. §103(a) as being unpatentable over U.S. Patent No. 6,363,210 to Owashi et al. (hereinafter "Owashi") in view of U.S. Patent No. 5,799,081 to Kim et al. (hereinafter "Kim").

Claim 9 is directed to a smart card comprising:

a key, associated with one particular household, to be used to encrypt and decrypt media content that is associated with the one particular household and that is to be rendered at the one particular household, but not to encrypt and decrypt media content associated with other households; and

a data storage section to store data that is expected to be of value to a user.

Applicant respectfully submits that Owashi in view of Kim does not disclose or suggest a smart card comprising a key, associated with one particular household, to be used to encrypt and decrypt media content that is associated with the one particular household and that is to be rendered at the one particular household, but not to encrypt and decrypt media content associated with other households as recited in claim 9.

In the April 6 Office Action, at page 9 (first full paragraph) it was asserted that:

In response to applicant's argument that "...Kim does not disclose or suggest a key that is associated with one particular household......but not to encrypt media content associated with other households...." (see page 16, line 9+ of response filed on 11 July 2003), the Examiner respectfully disagrees with the applicant wherein Owashi teaches an IC card associated with one particular

household namely a receiver decoder and not associated with the other household namely VTR. Moreover, Kim also teaches an access card that is associated with particular household namely an integrated receiver/decoder (IRD) system for receiving satellite broadcasting media as discussed in paragraph 3 above.

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Applicant respectfully disagrees with this assertion.

First, it appears that the April 6 Office Action is relying on the receiver decoder and the VTR of Owashi as teaching a key that is associated with one particular household, the key to be used to encrypt media content that is associated with the one particular household but not to encrypt media content associated with other households. Applicant respectfully disagrees with this characterization of Owashi. The receiver decoder and the VTR of Owashi are both part of the same subscriber 50 (see, Fig. 1 and col. 4, lines 56-63). As such, Applicant respectfully submits that the receiver decoder and the VTR of Owashi would be part of the same household. There is no mention in Owashi of the receiver decoder and VTR being separated across different households. Without any such mention or discussion in Owashi, Applicant respectfully submits that Owashi cannot disclose or suggest a key, associated with one particular household, to be used to encrypt and decrypt media content that is associated with the one particular household and that is to be rendered at the one particular household, but not to encrypt and decrypt media content associated with other households as recited in claim 9.

Second, the April 6 Office Action at p. 3 (first full paragraph), states that "Owashi fails to teach encrypting of media content". Since Owashi fails to teach encrypting of media content, Applicant respectfully submits that Owashi cannot disclose or suggest a key, associated with one particular household, to be used to encrypt and decrypt media content that is associated with the one particular household and that is to be rendered at the one particular household, but not to

encrypt and decrypt media content associated with other households as recited in claim 9.

Third, it appears that the April 6 Office Action is also relying on the integrated receiver/decoder (IRD) system for receiving satellite broadcasting media of Kim as discussed in paragraph 3 of the April 6 Office Action as teaching a key that is associated with one particular household, the key to be used to encrypt media content that is associated with the one particular household but not to encrypt media content associated with other households. Applicant respectfully disagrees with this characterization of Kim.

Kim discusses that the IRD uses an access card that is required for conditional access (CA) for conditional reception (see, col. 2, lines 19-29). However, nowhere in the IRD of Kim is there any mention of, much less discussion of, a key that is associated with one particular household, the key to be used to encrypt media content that is associated with the one particular household but not to encrypt media content associated with other households. Applicant respectfully submits that the mere existence of the access card or IRD of Kim does not disclose or suggest such a key as claimed in claim 9.

Additionally, in the April 6 Office Action, at page 9 (last paragraph) it was asserted that:

In response to applicant's argument that "....Kim does not disclose or suggest key-based encryption....." (see page 16, line 21+ of response filed on 11 July 2003), Kim simply provide an evidence of encrypting media content using content of the access card, that is, selected channels are viewable according to contents of the access card (see col. 3, lines 5-10 of Kim) and adding a Macrovision-mode copy protection signals into the media signal for prohibiting copy of the media. Therefore, given its broadest reasonable interpretation of

this instance claimed invention, the combination of Owashi and Kim meets the claimed invention as discussed in paragraph 3 above.

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Applicant respectfully disagrees with this assertion, and respectfully maintains that Kim does not disclose or suggest key-based encryption as used in claim 9.

The discussion of selected channels being viewable according to contents of the access card at col. 3, lines 5-10 of Kim does not make any mention of key-based encryption. There is no discussion in Kim as to how these selected channels are viewable according to contents of the access card. Absent such discussion, Applicant respectfully submits that the cited portion cannot disclose or suggest key-based encryption as used in claim 9.

Furthermore, the Macrovision-mode copy protection signals discussed in Kim do not disclose or suggest key-based encryption. The Macrovision IPPS system discussed in the cited portions of Kim "uses a method of operating the header's flag bits, without employing, to digital data, encoding methods such as scrambling and encryption" (see, emphasis added, col. 3, lines 57-60). As such, Applicant respectfully submits that the Macrovision IPPS system of Kim cannot disclose or suggest key-based encryption as used in claim 9.

Thus, Applicant respectfully submits that Owashi in view of Kim does not disclose or suggest a smart card comprising a key, associated with one particular household, to be used to encrypt and decrypt media content that is associated with the one particular household and that is to be rendered at the one particular household, but not to encrypt and decrypt media content associated with other households as recited in claim 9.

For at least these reasons, Applicant respectfully submits that claim 9 is allowable over Owashi in view of Kim.

Given that claims 10-12 depend from claim 9, Applicant respectfully submits that claims 10-12 are likewise allowable over Owashi in view of Kim for at least the reasons discussed above with reference to claim 9.

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With respect to claim 16, Applicant respectfully submits that Owashi in view of Kim does not disclose or suggest encrypting, at the user's home, the media content only if the smart card is authorized to encrypt the media content as recited in claim 16. As discussed above with respect to claim 9, Owashi does not teach encrypting media content, and Kim discloses an integrated receiver/decoder and an access card, but there is nothing in Kim to suggest that the integrated receiver/decoder or access card is used to encrypt media content, much less encrypting, at the user's home, the media content only if the smart card is authorized to encrypt the media content as recited in claim 16. For at least these reasons, Applicant respectfully submits that claim 16 is allowable over Owashi in view of Kim.

Given that claims 18 and 19 depend from claim 16, Applicant respectfully submits that claims 18 and 19 are likewise allowable over Owashi in view of Kim for at least the reasons discussed above with reference to claim 16.

With respect to claim 21, claim 21 is directed to a method of decrypting media content, the method comprising:

checking whether a portable integrated circuit device is authorized to decrypt the media content, wherein the portable integrated circuit device stores a decryption key and additional data;

determining that the portable integrated circuit device is authorized to decrypt the media content only if data other than electronic money is stored as the additional data on the portable integrated circuit device, wherein the data is expected to be of value to a user, and wherein the data is not used to decrypt the media content; and

decrypting the media content only if the portable integrated circuit device is authorized to decrypt the media content.

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Applicant respectfully submits that Owashi in view of Kim does not disclose or suggest the portable integrated circuit device stores a decryption key and additional data, and determining that the portable integrated circuit device is authorized to decrypt the media content only if data other than electronic money is stored as the additional data on the portable integrated circuit device as recited in claim 21.

In the April 6 Office Action at p. 10 (first paragraph), it was asserted that:

In response to applicant's argument that "...such unit and microcomputer does not disclose or suggest a decryption key and additional data..." (see page 19, line 21+ of response filed on 11 July 2003), the Examiner respectfully disagrees with the applicant wherein the access card of Kim is used for determining user(s) can view received media content according to the privileges of the access card, that is, the access card contain a permission or not. Accordingly, give its broadest reasonable interpretation, the teachings of Owashi as modified by Kim meets the claimed limitations.

Applicant respectfully disagrees with this assertion, and respectfully maintains that Kim does not disclose or suggest the portable integrated circuit device stores a decryption key and additional data, and determining that the portable integrated circuit device is authorized to decrypt the media content only if data other than electronic money is stored as the additional data on the portable integrated circuit device as recited in claim 21.

Kim states, at col. 2, lines 35-40:

Access card 22, whose size is similar to that of a general credit card, With this, the card receives CA-related has a built-in IC. information through a broadcast bit stream and telephone line, that is, a telco MODEM, in order to decide whether a user, subscriber, -

selected channel can be viewed or not and to collect its subscription fee."

Kim does not, however, discuss how such decisions are made. Nowhere does Kim make any mention of or have any discussion of a portable integrated circuit device stores a decryption key and additional data, and determining that the portable integrated circuit device is authorized to decrypt the media content only if data other than electronic money is stored as the additional data on the portable integrated circuit device as recited in claim 21. The mere mention that CA-related information is received by the card in order to decide whether a user, subscriber, selected channel can be viewed or not and to collect its subscription fee does not disclose or suggest a portable integrated circuit device storing two things (the decryption key and the additional data), much less determining that the portable integrated circuit device is authorized to decrypt the media content only if data other than electronic money is stored as the additional data on the portable integrated circuit device as recited in claim 21.

Applicant respectfully submits that there is no mention of both a decryption key and additional data being stored on the access card of Kim. Without such a mention in Kim, Applicant respectfully submits that Kim cannot disclose a portable integrated circuit device stores a decryption key and additional data, much less determining that the portable integrated circuit device is authorized to decrypt the media content only if data other than electronic money is stored as the additional data on the portable integrated circuit device as recited in claim 21.

For at least these reasons, Applicant respectfully submits that claim 21 is allowable over Owashi in view of Kim.

Claims 1, 2, 5-8, 13, 14, 26-32, 34-36, 38-45, 50, 52, 53, and 55-57 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Owashi in view of Kim and further in view of U.S. Patent No. 5,666,412 to Handelman et al. (hereinafter "Handelman") in view of U.S. Patent No. 6,378,130 to Adams (hereinafter "Adams").

With respect to claim 1, Applicant respectfully submits that, similar to the discussion of claim 9 above, Owashi in view of Kim does not disclose or suggest a key, associated with a household, to be used to encrypt and decrypt media content at the household that is associated with the household as recited in claim 1. Handelman and Adams are not cited as curing this deficiency of Owashi in view of Kim, and Applicant respectfully submits that Handelman and Adams do not cure this deficiency of Owashi in view of Kim. For at least these reasons, Applicant respectfully submits that claim 1 is allowable over Owashi in view of Kim and further in view of Handelman and Adams.

Given that claims 2, 5-8, and 55-57 depend from claim 1, Applicant respectfully submits that claims 2, 5-8, and 55-57 are likewise allowable over Owashi in view of Kim and further in view of Handelman and Adams for at least the reasons discussed above with reference to claim 1.

With respect to claims 13 and 14, claims 13 and 14 depend from claim 9, and Applicant respectfully submits that claims 13 and 14 are likewise allowable over Owashi in view of Kim and further in view of Handelman and Adams for at least the reasons discussed above with reference to claim 1.

With respect to claim 26, Applicant respectfully submits that, similar to the discussion of claim 16 above, Owashi in view of Kim does not disclose or suggest

an encryption module coupled to receive a multimedia presentation and encrypt, at the user's home, the multimedia presentation as recited in claim 26. Handelman and Adams are not cited as curing this deficiency of Owashi in view of Kim, and Applicant respectfully submits that Handelman and Adams do not cure this deficiency of Owashi in view of Kim. For at least these reasons, Applicant respectfully submits that claim 26 is allowable over Owashi in view of Kim and further in view of Handelman and Adams.

Given that claims 27 and 28 depend from claim 26, Applicant respectfully submits that claims 27 and 28 are likewise allowable over Owashi in view of Kim and further in view of Handelman and Adams for at least the reasons discussed above with reference to claim 26.

With respect to claim 29, Applicant respectfully submits that, similar to the discussion of claim 16 above, Owashi in view of Kim does not disclose or suggest encrypting, at the household, the received media content based on a household identifier corresponding to a smart card, wherein the household identifier is associated with one household as recited in claim 29. Handelman and Adams are not cited as curing this deficiency of Owashi in view of Kim, and Applicant respectfully submits that Handelman and Adams do not cure this deficiency of Owashi in view of Kim. For at least these reasons, Applicant respectfully submits that claim 29 is allowable over Owashi in view of Kim and further in view of Handelman and Adams.

Given that claims 30-32 depend from claim 29, Applicant respectfully submits that claims 30-32 are likewise allowable over Owashi in view of Kim and

further in view of Handelman and Adams for at least the reasons discussed above with reference to claim 29.

With respect to claim 34, Applicant respectfully submits that, similar to the discussion of claim 16 above, Owashi in view of Kim does not disclose or suggest allowing access to the media content if the rating corresponding to the media content does not exceed the rating associated with the smart card, wherein the allowing access comprises allowing the media content to be encrypted, at a user's home, for subsequent processing as recited in claim 34. Handelman and Adams are not cited as curing this deficiency of Owashi in view of Kim, and Applicant respectfully submits that Handelman and Adams do not cure this deficiency of Owashi in view of Kim. For at least these reasons, Applicant respectfully submits that claim 34 is allowable over Owashi in view of Kim and further in view of Handelman and Adams.

Given that claims 35 and 36 depend from claim 34, Applicant respectfully submits that claims 35 and 36 are likewise allowable over Owashi in view of Kim and further in view of Handelman and Adams for at least the reasons discussed above with reference to claim 34.

With respect to claim 38, Applicant respectfully submits that, similar to the discussion of claim 16 above, Owashi in view of Kim does not disclose or suggest controlling, at the household, encryption of the received media content based on a household identifier corresponding to a smart card as recited in claim 38. Handelman and Adams are not cited as curing this deficiency of Owashi in view of Kim, and Applicant respectfully submits that Handelman and Adams do not cure this deficiency of Owashi in view of Kim. For at least these reasons,

Applicant respectfully submits that claim 38 is allowable over Owashi in view of Kim and further in view of Handelman and Adams.

Given that claim 39 depends from claim 38, Applicant respectfully submits that claim 39 is likewise allowable over Owashi in view of Kim and further in view of Handelman and Adams for at least the reasons discussed above with reference to claim 38.

With respect to claim 40, Applicant respectfully submits that, similar to the discussion of claim 9 above, Owashi in view of Kim does not disclose or suggest a key, associated with one particular household, to be used to encrypt and decrypt media content associated with the one particular household at the one particular household but not to encrypt and decrypt media content associated with other households as recited in claim 40. Handelman and Adams are not cited as curing this deficiency of Owashi in view of Kim, and Applicant respectfully submits that Handelman and Adams do not cure this deficiency of Owashi in view of Kim. For at least these reasons, Applicant respectfully submits that claim 40 is allowable over Owashi in view of Kim and further in view of Handelman and Adams.

Given that claims 41-44 depend from claim 40, Applicant respectfully submits that claims 41-44 are likewise allowable over Owashi in view of Kim and further in view of Handelman and Adams for at least the reasons discussed above with reference to claim 40.

With respect to claim 45, Applicant respectfully submits that, similar to the discussion of claim 9 above, Owashi in view of Kim does not disclose or suggest maintaining, on an integrated circuit card, a key to be used to encrypt and decrypt media content associated with one particular household at the one particular

household but not to encrypt and decrypt media content associated with other households as recited in claim 45. Handelman and Adams are not cited as curing this deficiency of Owashi in view of Kim, and Applicant respectfully submits that Handelman and Adams do not cure this deficiency of Owashi in view of Kim. For at least these reasons, Applicant respectfully submits that claim 45 is allowable over Owashi in view of Kim and further in view of Handelman and Adams.

With respect to claim 50, Applicant respectfully submits that, similar to the discussion of claim 16 above, Owashi in view of Kim does not disclose or suggest encrypting, at a single house, media content based on an identifier corresponding to a plurality of smart cards as recited in claim 50. Handelman and Adams are not cited as curing this deficiency of Owashi in view of Kim, and Applicant respectfully submits that Handelman and Adams do not cure this deficiency of Owashi in view of Kim. For at least these reasons, Applicant respectfully submits that claim 50 is allowable over Owashi in view of Kim and further in view of Handelman and Adams.

Given that claims 52 and 53 depend from claim 50, Applicant respectfully submits that claims 52 and 53 are likewise allowable over Owashi in view of Kim and further in view of Handelman and Adams for at least the reasons discussed above with reference to claim 50.

Claims 20, 25, 33, and 46 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Owashi in view of Kim and Handelman and further in view of U.S. Patent No. 5,805,204 to Thompson et al. (hereinafter "Thompson").

Claims 20, 25, 33, and 46, depend from claims 16, 21, 29, and 45, respectively. Applicant respectfully submits that each of claims 16, 21, 29, and 45

Thompson are not cited as curing the deficiencies of Owashi in view of Kim discussed above with respect to claims 16, 21, 29, and 45, and Applicant respectfully submits that Handelman and Thompson do not cure these deficiencies of Owashi in view of Kim. For at least these reasons, Applicant respectfully submits that claims 20, 25, 33, and 46 are allowable over Owashi in view of Kim and Handelman and further in view of Thompson.

Claims 3, 4, 15, 17, 22, and 24 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Owashi in view of Kim and Handelman and further in view of U.S. Patent No. 5,744,787 to Teicher (hereinafter "Teicher").

Claims 3 and 4 depend from claim 1, claim 15 depends from claim 9, claim 17 depends from claim 16, and claims 22 and 24 depend from claim 21. Applicant respectfully submits that each of claims 1, 9, 16, and 21 is allowable over Owashi in view of Kim as discussed above. Handelman and Teicher are not cited as curing the deficiencies of Owashi in view of Kim discussed above with respect to claims 1, 9, 16, and 21, and Applicant respectfully submits that Handelman and Teicher do not cure these deficiencies of Owashi in view of Kim. For at least these reasons, Applicant respectfully submits that claims 3, 4, 15, 17, 22, and 24 are allowable over Owashi in view of Kim and Handelman and further in view of Teicher.

Claim 54 stands rejected under 35 U.S.C. §103(a) as being unpatentable over Owashi in view of Kim, Handelman, and Adams, and further in view of U.S. Patent No. 5,841,119 to Rouyrre et al. (hereinafter "Rouyrre").

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Claim 54 depends from claim 50. Applicant respectfully submits that claim 50 is allowable over Owashi in view of Kim, Handelman, and Adams as discussed above. Rouyrre is not cited as curing the deficiencies of Owashi in view of Kim, Handelman, and Adams as discussed above with respect to claim 50, and Applicant respectfully submits that Rouyrre does not cure the deficiencies of Owashi in view of Kim, Handelman, and Adams. For at least these reasons, Applicant respectfully submits that claim 54 is allowable over Owashi in view of Kim, Handelman, and Adams, and further in view Rouyrre.

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Accordingly, Applicant respectfully requests that the §103 rejections be withdrawn.

## Conclusion

Claims 1-22, 24-36, 38-46, 50, and 52-57 are in condition for allowance. Applicant respectfully requests reconsideration and issuance of the subject application. Should any matter in this case remain unresolved, the undersigned attorney respectfully requests a telephone conference with the Examiner to resolve any such outstanding matter.

Respectfully Submitted,

Date: 7/5/04

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